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July 25, 2013

Hon. Frank R. Alley, III
United States Bankruptcy Judge
Wayne L. Morse Courthouse
405 East Eighth Avenue, Suite 2600
Eugene, OR 97401-2706

Re: Alexandre Hournon and Sandra A. Banuelos-Hournon
Case No. 10-64571-fra13

Dear Judge Alley:

Thank you for your letter dated July 12, 2013.

The substance of the debtors' response to the trustee's motion to dismiss is as follows: "Debtors request they be allowed to catch up any missed payments with a six month repayment period. Debtors have provided trustee with requested tax returns." As explained below, this response seems too lackadaisical in light of the history and current status of the case.

First, the case was dismissed on May 1, 2013. The debtors' motion to reopen the case and vacate the dismissal arguably does not provide cause, within the meaning of F.R. Bankr. P. 9024, to vacate the dismissal.

Second, the debtors are eight plan payments behind (including June 2013). The trustee received a payment on July 22, 2013. Prior to that, the debtors had not made a payment since November 8, 2012.

Third, it is a concern that the debtors did not timely submit copies of their 2011 and 2012 tax returns to the trustee.

Fourth, due to the missed payments (and accrual of interest on secured claims to be paid through the plan), the plan may no longer be feasible. It would be most appropriate to review that issue in connection with a proposed, modified plan.

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Fifth, the debtors' financial situation appears to have changed. According to several recent letters from the debtors, it appears that Ms. Banuelos-Hournon has been unemployed since late February 2013.

If the court is inclined to allow the case to continue, I would suggest that the court require the debtors to submit a proposed modified plan, accompanying schedules, and proof of current income to the trustee within 14 days. That would allow our office to make a more informed and reasoned review of the case.

Thank you for your consideration.

Sincerely yours,

/s/ Paul J. Garrick

Paul J. Garrick
Staff Attorney

cc (via ECF): James Dietz